#### **NEBRASKA UNIVERSAL SERVICE FUND**

## **NUSF-99 2016 BROADBAND APPLICATION**

## UNITED TELEPHONE COMPANY OF THE WEST d/b/a CENTURYLINK

## MINATARE - MAIN STREET AND 5<sup>TH</sup> STREET

1. A description of the proposed broadband project including download/upload speed capabilities which can be provided and a description of the proposed network infrastructure to be deployed.

This project would provide broadband service at speeds ranging up to 40 Mbps to approximately 38 living units in 20 census blocks in an area around Main Street and 5<sup>th</sup> Street in CenturyLink's Minatare exchange. The project will involve deploying the fiber and the electronics necessary to allow these speeds.

2. A list in Excel Format of all the census blocks where broadband facilities would be deployed for the proposed project, which shall include 2010 Census Block identification numbers of service area, by project.

Please see Attachment A.

3. An estimate of the number of potential new broadband subscribers for each project.

Approximately 38 households will be impacted by this project. None of these households can receive broadband service from CenturyLink at sufficient speeds currently. CenturyLink believes that no other wireline internet service provider is providing service in the project area.

4. An estimated schedule for broadband deployment.

CenturyLink would start construction on this project 90 days after approval from the Commission, weather permitting, and complete the project within 24 months.

5. A proposed budget, showing total project costs, in electronic format, with a detailed breakdown of the cost elements and a depreciation schedule showing the life of the investment.

Please see confidential Attachment B.

6. Proposed retail pricing, including both monthly recurring costs and nonrecurring costs for the new broadband service(s) to be offered. At a minimum the pricing should reflect the stand alone price for the speeds to be offered to the customer.

The retail pricing for the proposed project area will be the same as the retail pricing for broadband services in CenturyLink's service territory in Nebraska. The pricing will vary depending on the speed the subscriber chooses as well as any other services the subscriber may wish to bundle with the broadband service.

CenturyLink's current pricing internet only service is as follows:

Speed Tier	Price
Up to 15 Meg	\$45.00
20 Meg – 39 Meg	\$50.00
40 Meg – 99 Meg	\$55.00

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A modem is required and can be leased from the company for \$10.00 per month, or purchased for a one-time cost of \$100.00, plus shipping and handling charges. If the subscriber chooses to have a technician install the service, there is a one-time charge of \$60.00.

7. The company's commitment to offer broadband services to all households within the service area of the project for a minimum of five (5) years.

CenturyLink commits to offering broadband service to all households in the project area for a minimum of five years.

8. An affidavit from the company attesting 1) (a) that the area of the proposed project is a CAF II eligible area and has not refused CAF II funding, or (b) that the area of the proposed project is ineligible for CAF II funding. 2) That the company has done its due diligence to verify that comparable broadband does not already exist in the area of the proposed project. 3) The truth and accuracy of all information included in the project filing.

State of Kansas	)
	) ss.
County of Johnson	)

I, Al Lubeck, being duly sworn on oath, state that (1) the area of the proposed project is not in a CAF II eligible area; (2) upon information and belief, comparable broadband service is not available from another wireline provider; and (3) the information provided in this application is true and correct to the best of my knowledge, information and belief.

Al Lubeck

SUBSCRIBED AND SWORN TO this <u>39<sup>th</sup></u> day of May, 2019.

LINDA K. JOSEPH
My Appointment Expires
10-19-2022

Notary Public

# MINATARE - MAIN STREET and 5TH STREET ATTACHMENT A

CLLI	Project	Census Block
MNTRNEXU	Main St. & 5th	311579532001212
MNTRNEXU	Main St. & 5th	311579532001220
MNTRNEXU	Main St. & 5th	311579532001221
MNTRNEXU	Main St. & 5th	311579532001224
MNTRNEXU	Main St. & 5th	311579532001229
MNTRNEXU	Main St. & 5th	311579532001235
MNTRNEXU	Main St. & 5th	311579532001237
MNTRNEXU	Main St. & 5th	311579532001238
MNTRNEXU	Main St. & 5th	311579532001239
MNTRNEXU	Main St. & 5th	311579532001241
MNTRNEXU	Main St. & 5th	311579532001243
MNTRNEXU	Main St. & 5th	311579532001244
MNTRNEXU	Main St. & 5th	311579532001245
MNTRNEXU	Main St. & 5th	311579532001247
MNTRNEXU	Main St. & 5th	311579532001248
MNTRNEXU	Main St. & 5th	311579532001250
MNTRNEXU	Main St. & 5th	311579532001251
MNTRNEXU	Main St. & 5th	311579532001252
MNTRNEXU	Main St. & 5th	311579532001254
MNTRNEXU	Main St. & 5th	311579532001255

## **ATTACHMENT B**

United Telephone Company of the West - Nebraska d/b/a CenturyLink 2019 NUSF 99 - Broadband Grant Application Proposed Budget & Depreciation Schedule Wire Center: Minatare Location: Main St & 5th St / McGrew May 9, 2019

## Proposed Annual Budget:

Description of Costs	Investment category		Year 2020 (1)		Year 2021		Year 2022		Year 2023		Year 2024	Year 2025
Plant Investment (1):												
Access Electronics	Circuit Equipment (2232)											
Copper Cable Deployment	Buried Cable - Metallic (2423)											
Fiber Deployment	Buried Cable - Non Met (2423)											
Total Plant Investment		\$	-	\$		\$	-	\$	-	\$		\$
Maintenance & Direct Expense (1),(2): Circuit Equipment Buried Cable - Metallic Buried Cable - Non Metallic		\$	-	\$		\$	-	\$		\$	5 5	\$
Total Maintenance & Direct Expense		\$		\$	*	\$	-	\$	-	\$	*	\$ -
Property Taxes (3)		\$	-	\$	-	\$	-	\$	-	\$	20	\$ -
Cost of Capital(4)		\$	-	\$		\$	-	\$		\$	2	\$ 
Total Annual Costs		\$	-	\$		\$	-	\$	-	\$		\$ -

<u>Depreciation Schedule:</u> <u>Investment Category</u>	Investment <u>Life</u>	Depr. Rate (5)	Year (1) 2020		Year 2021		Year 2022		Year 2023		Year 2024		Year 2025	
Circuit Equipment (1)	13.5 yrs	3.7%	\$		\$	-	\$	(7)	\$	1.7	\$		\$	12
Buried Cable - Metallic (1)	15 yrs	5.1%	\$	-	\$	1070	\$		\$		\$	370	\$	
Buried Cable - Non Metallic (1)	21 yrs	4.6% _	\$	-	\$	-	\$		\$		\$	-	\$	
Projected Depreciation Expense		_	\$	-	\$	-	\$	-	\$	*	\$	-	\$	
Net Plant Investment			\$		\$	- 2	\$	- 4	\$	-	\$	-	\$	-

#### Foolnotes:

- (1) Assumes plant in-service date of January 1, 2020.
- (2) Maintenance & Direct Expense Factors:

Circuit Equipment: 4.64%

Burled Cable - Metallic: 6.83%

Burled Cable - NonMetallic; 2.05%

- (3) Property Taxes Rate: 0.32%
- (4) Based on 6.54% cost of capital rate times net capital investment.
- (5) Nebraska Commission approved depreciation rates for United Telephone Company of the West Nebraska.

## PUBLIC DOCUMENT CONFIDENTIAL DATA HAS BEEN EXCISED